

MINUTES OF THE REGULAR MEETING
OF THE
COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY

April 17, 2007

The Commissioners of the Chicago Housing Authority held its Regular Meeting on Tuesday, April 17, 2007, at 8:30 a.m. at the Suder Montessori School, 2022 West Washington, Chicago, Illinois.

Chairperson Martin Nesbitt called the meeting to order and upon roll call, those present and absent were as follows:

Present:	Martin Nesbitt Hallie Amey Earnest Gates Dr. Mildred Harris Michael Ivers Carlos Ponce Mary Wiggins
Absent:	Bridget O'Keefe Sandra Young

Also present were Sharon Gist Gilliam, Chief Executive Officer; Adrienne Minley, Chief of Staff; Jorge Cazares, General Counsel; Chicago Housing Authority Staff Members and the General Public.

There being a quorum present, the meeting duly convened and business was transacted as follows:

Sharon Gist Gilliam, Chief Executive Officer, then presented her monthly report. Ms. Gilliam commenced her report by introducing Linda Kaiser, the new Managing Director for Resident Services. Ms. Gilliam then announced the closing of the financial structure for the first phase of Homeownership Units at Lake Park Crescent and indicated that the next Homeownership Phase is expected to close in FY2008. Ms. Gilliam then reminded CHA residents to enroll and engage CHA children for the variety of programs available thru the Park District, free of charge. Ms. Gilliam concluded her report by inviting the CHA Commissioners and public at large to the CHA Open House at the CNA building on May 9 and extended an invitation to the ceremony for the Removal, Restoration and Return of the Animal Sculpture at Roosevelt Square on April 25, at 10:30 a.m.

Chairperson Nesbitt then convened the Public Hearing portion of the meeting by inviting residents and the public at large to address the Board.

Immediately following the Public Hearing portion of the meeting, a Motion was introduced and seconded to adjourn to Executive Session. Commissioner Ivers announced that pursuant to the Open Meetings Act, 5 ILCS 120/2, the Board would adjourn for approximately one (1) hour to discuss pending, probable or imminent litigation, collective negotiating matters, security and personnel matters.

Immediately after adjournment of Executive Session Commissioner Gates left the meeting due to a conflict on his schedule.

The Commissioners subsequently reconvened in Open Session and upon Motion made by Commissioner Ivers, properly seconded by Commissioner Harris and carried, the Minutes for the Regular Meetings of January 16, 2007 and February 20, 2007 were unanimously approved.

Chairperson Nesbitt thereupon introduced the Resolutions discussed in Executive Session.

Commissioner Ivers then presented an Omnibus Motion for the approval of the following resolutions for Executive Session Item 1 thru 5:

Executive Session Item 1

RESOLUTION NO. 2007-CHA-39

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated April 4, 2007, requesting that the Board of Commissioners approves the Personnel Actions Report for March 2007.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the Personnel Actions Report for March 2007.

Executive Session Item 2

RESOLUTION NO. 2007-CHA-40

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated April 9, 2007 requesting authorization to amend the contract amount for legal services provided by the law firm of Kutak Rock, LLP.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby authorizes the Chief Executive Officer, or her designee, to amend Contract No. 6066 with Kutak Rock, LLP by increasing the contract amount in an amount not to exceed \$400,000, in order to pay for additional legal fees and expenses.

Executive Session Item 3

RESOLUTION NO. 2007-CHA-41

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated April 9, 2007, regarding authorization to amend the contract amount with Mayer, Brown, Rowe and Maw LLP in connection with *Advice and Consultation on Real Estate Tax Matters for Mixed-Finance Transactions*

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or her designee to amend Contract No. 7029 with Mayer, Brown, Rowe & Maw to increase the amount of fees for the matter known as *Advice and Consultation on Real Estate Tax Matters for Mixed-Finance Transactions* by an additional amount not to exceed \$200,000 in order to pay for legal fees and expenses under the contract.

Executive Session Item 4

RESOLUTION NO. 2007-CHA-42

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated April 9, 2007, requesting authorization to enter into a settlement agreement in the amount of \$300,000 in the matter of Ellyn Hussey v. CHA, et al, 04 L 1384

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the General Counsel, or his designee, to enter into a settlement agreement in the amount of \$300,000 in the case of Ellyn Hussey v. CHA, et al, 04 L 1384.

Executive Session Item 5

RESOLUTION NO. 2007-CHA-43

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated April 9, 2007, requesting authorization to enter into a settlement agreement in the amount of \$200,000 in the matter of Disputed Coverage Claim Between CHA and Lexington Insurance Company Related to the Diane Link Wallace v. CHA, 03 C 491 Litigation.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the General Counsel, or his designee, to enter into a settlement agreement in the amount of \$200,000 in the matter of Disputed Coverage Claim Between CHA and Lexington Insurance Company Related to the Diane Link Wallace v. CHA, 03 C 491 Litigation

The Omnibus Motion to adopt resolutions for Executive Session Items 1 thru 5 was seconded by Commissioner Wiggins and the voting was as follows:

Ayes:	Martin Nesbitt Hallie Amey Dr. Mildred Harris Michael Ivers Carlos Ponce Mary Wiggins
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Nays:	None
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The Chairperson thereupon declared said Motion carried and said Resolutions adopted.

In the absence of Committee Chair Young, Commissioner Harris presented the report for the Tenant Services Committee. Per Commissioner Harris, the Tenant Services Committee Meeting was held on Wednesday, April 11, 2007 at the 60 East Van Buren Corporate Offices. Bryce White, Resident Services Director, and representatives from Heartland Human Care presented the Committee with an update on Community Supportive Services/Post Occupancy.

Commissioner Harris then introduced an Omnibus Motion for the adoption of the Resolutions for Items A1 thru A5 discussed, voted and recommended for Board approval by the Tenant Services Committee.

(Item A1)

In September 2004, the Board approved a contract with the Spanish Coalition for Housing to operate three CHA Latino Site Offices and provide intake, marketing, and outreach services to the Latino community as required by the Latino Consent Decree. As a result, the CHA entered into a two-year Contract with three one-year extension options. During the base Contract term, the Spanish Coalition for Housing assisted close to 10,000 people by providing them with a variety of services related to CHA and non-CHA assistance programs. Given the limited CHA housing opportunities available, the Spanish Coalition for Housing has also been connecting people to other assistance programs to help stabilize their housing and/or financial situation. The Authority exercised the first extension option in the not-to-exceed amount of \$297,966.00 for a period of only seven months, because it was considering a new procurement to consolidate the services under this contract with services provided under separate contract with CHAC, in order to achieve efficiencies, economies of scales, and greater oversight by the CHA. The CHA is still in the process of working with CHAC in developing one comprehensive scope of work that would result in one single contract to provide the referenced services. Accordingly, the resolution for Item A1 approves exercising the second option of contract with Spanish Coalition for Housing covering the five months remaining in the first option, and an additional five months under the second option.

RESOLUTION NO. 2007-CHA-44

WHEREAS, The Board of Commissioners has reviewed the memorandum dated April 9, 2007, titled "Authorization to exercise a second option of Contract No. 0673 with the Spanish Coalition for Housing for Marketing, Outreach, and Intake services to the Latino Population for CHA Programs,"

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby authorizes the Chief Executive Officer or her designee to enter into a second option of the Contract No. 0673 (“Contract”) with the Spanish Coalition for Housing to provide marketing, outreach, and intake services to the Latino population for the period of March 1, 2007 through December 31, 2007, and to increase the Contract’s not-to-exceed compensation amount by \$392,000.00. The Contract’s aggregate not-to-exceed compensation amount will be \$1,667,362.00.

(Item A2)

In June of 2003, the Board approved the selection of LCDC/Safeway as the development team to acquire and rehabilitate 3718-28 W. Douglas to be known as “Fountain View Apartments.” Fountain View will be rehabilitated into a 45 unit mixed income development of which 14 of the units will be CHA rental. LCDC/Safeway will be responsible for the overall redevelopment process at Fountain View, including, but not limited to, preparing funding applications, obtaining financing, construction, and the coordination of CSS. CSS is needed to provide case management and community integration services for CHA families wanting to return to the Fountain View Apartments. Accordingly, the resolution for Item A2 approves negotiation of contract with LCDC/SAFEWAY to implement and provide CSS at Fountain View Apartments. LCDC/Safeway plans on entering into a subcontract with Uhlich Children’s Advantage Network to provide intensive case management and supportive services to increase public housing residents’ likelihood of meeting the eligibility criteria. By offering supportive services during pre-leasing of units, the CHA families will receive support in meeting the general leasing requirements at Fountain View Apartments.

RESOLUTION NO. 2007-CHA-45

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated April 9, 2007, entitled “Authorization to negotiate and enter into a contract with LCDC/SAFEWAY for Community and Supportive Services for the Fountain View Apartments”

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners (“Board”) authorizes the Chief Executive Officer or her designee to negotiate and enter into a contract with LCDC/Safeway for a one (1) year base term in an amount not-to-exceed \$190,000.00 and 1, one-year option to provide community and supportive services to the Fountain View Apartments.

(Item A3)

In October 1999, the Board of Commissioners authorized a contract with the Holsten Management Corporation for the private management and operations of Hilliard Center, including the Hilliard Family Buildings and the Hilliard Senior Buildings. During Phase I, Holsten’s Human Capital division provided relocation and supportive services to the current residents. In March 2005, the Board authorized the CHA to enter into a two-year contract with Holsten . The primary focus of the contract was to assist CHA families that have chosen to return to Hilliard Homes. The services included assessment, service planning, obtaining/maintaining lease compliancy, providing building tours, job development, identifying other services to assist families in meeting their housing choice and mounting community integration events and activities. Holsten has met its contractual obligations with the CHA and has demonstrated outcomes of its work with residents. Under the master development agreement with Holsten, the parties envisioned that Holsten would receive financial assistance from the CHA pending funding availability and contract performance for a two year period. Although the two year contract has expired, the CHA plans to continue the provision of financial assistance to Holsten to serve families following the occupancy of units and provide continued support for families eligible for housing at Hilliard Homes. Accordingly, the resolution for Item A3 approves extension of contract with Holsten to continue preparing a minimum of 385 families to meet the site requirements at Hilliard Homes.

RESOLUTION NO. 2007-CHA- 46

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated April 9, 2007 entitled "Authorization to extend Contract No. 5093 with Real Estate Management Corporation to provide Community and Supportive Services to the Hilliard Community";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer or her designee to extend Contract No. 5093 ("Contract") with Holsten Real Estate Management Corporation for the period of February 6, 2007 through February 5, 2008 and to increase the Contract's funding by an amount not-to-exceed \$227,000.00, adding it to the carryover balance available at the end of the current contract term to provide community and supportive services to CHA residents relocating to Hilliard Homes. The Contract's new aggregate total not-to-exceed contract amount will be \$1,027,000.00.

(Item A4)

In May 2004, the Board authorized the CHA to negotiate and enter into contract with Stateway Associates, LLC, and the master developer for Stateway Gardens, to provide CSS to CHA residents who selected Stateway Gardens as a permanent housing choice. In January 2006, the Board authorized the CHA to exercise the one-year option available in the Contract for the term of January 13, 2006 through January 12, 2007. The Contract's primary focus is to assist CHA families that have chosen to return to the revitalized Stateway Gardens mixed-income community. The CHA desires to extend the Agreement for an additional term through April 30, 2008. In addition to services being rendered, Stateway Associates, LLC will offer post-occupancy services to help residents maintain their housing. It is anticipated that Stateway Associates will provide services to at least 350 families during this extension period. In December 2006, Stateway Associates provided the transition team of Stateway Community Partners (SCP), a not for profit organization, to provide relocation and supportive services. Based on SCP's proven ability to provide the Contract's required services during the transition period, CHA staff agrees with the recommendation to allow SCP to continue as the subcontractor to provide CSS for Stateway Associates. For the period of January 13, 2007 through April 30, 2008, sufficient carryover funds are available to pay for the CSS. Accordingly, the resolution for Item A4 extends contract with Stateway Associates LLC to provide CSS services to the revitalized Stateway Community.

RESOLUTION NO. 2007-CHA-47

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated April 9, 2007, entitled "Authorization to extend Contract No. 5059 with Stateway Associates, LLC to provide Community and Supportive Services to the Revitalized Stateway Gardens Community"

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer or her designee to extend Contract No. 5059 ("Contract") with Stateway Associates, LLC for the period of January 13, 2007 through April 30, 2008 and to increase the Contract's funding by an amount not-to-exceed \$620,000.00 adding it to the carryover balance available at the end of the current contract term to provide community and supportive services to CHA residents relocating to the revitalized Stateway Gardens community. The Contract's new aggregate total not-to-exceed contract amount will be \$1,810,200.00.

(Item A5)

The resolution for Item A5 authorizes an extension to Qudel Contract for an additional six months. The CHA privatized its Section 8 program in 1995. In 1995, the Section 8 programs served approximately 15,000 families. Today, the program services over 36,000 families and 15,000 landlords and continues to grow. In November 2002, the Board of Commissioners authorized the CHA to enter into a new contract with Quadel to administer the CHA's Housing Choice Voucher/Section 8 programs. The Board recently approved the last and final option for the period of January 1, 2007 through December 31, 2007. The CHA is in the process of preparing to release a new Request for Proposals for a private administrator of its Housing

Choice Voucher/Section 8 programs. However, considering the length of time it might take to evaluate submitted proposals, select the next private administrator and negotiate a contract, the addition of a six month option period, to be exercised within CHA's sole discretion, serves as a contingency plan to allow the CHA to proactively mitigate potential risks associated with possible discontinuity of its HCV Program operations in the event the CHA does not have a negotiated contract in place with the next private administrator by January 1, 2008.

RESOLUTION NO. 2007-CHA-48

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed memorandum dated April 9, 2007, entitled "Authorization to amend Contract No. 0370 with Quadel Consulting Corporation for the Administration of the Housing Choice Voucher/Section 8 Programs to add a six month extension option";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer or her designee to amend Contract No. 0370 with Quadel Consulting Corporation for the administration of the CHA's Housing Choice Voucher/Section 8 Program to add a six (6) month extension option, to be exercised within the CHA's sole discretion, for the period of January 1, 2008 through June 30, 2008.

The Omnibus Motion to adopt resolutions for Items A1 through A5 was seconded by Commissioner Ivers and the voting was as follows:

Ayes:	Martin Nesbitt Hallie Amey Dr. Mildred Harris Michael Ivers Carlos Ponce Mary Wiggins
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Nays:	None
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There being no questions or discussion, the Chairperson thereupon declared said Motion carried and said resolutions adopted. The Tenant Services Committee report was also accepted in total.

In the absence of Committee Chair Earnest Gates, Commissioner Ivers presented his Operations and Facilities monthly report. Per Commissioner Ivers, the Operations and Facilities Committee Meeting was held on Wednesday, April 11, 2007 at approximately 2:00 p.m. at the 60 East Van Buren Corporate offices.

Commissioner Ivers then introduced an Omnibus Motion for the adoption of the Resolutions for Items B1thru B9 discussed, voted and recommended for Board approval by the Operations and Facilities Committee.

(Item B1)

The resolution for Item B1 approves a contract modification with H.L.F. Construction related to the general renovation of Washington Park Homes and Washington Park Scattered Sites. This contract modification provides for the removal and replacement of certain concrete walkways and front and rear patio areas at 3932-54 South Prairie. The original construction drawings and specifications called for only limited removal and replacement of deteriorated and damaged concrete in these areas. After commencement of construction activities, it was determined that the extent of the deteriorated and damaged concrete was more extensive than originally thought, requiring the Contractor to remove and replace approximately 11,000 square feet of additional concrete walks, patios at the rear of the buildings, and areas at the front of the buildings. The new total contract amount of Contract No. 5121 is \$5,635,350.76.

Commissioner Wiggins abstained from voting on Item B1 only.

RESOLUTION NO. 2007-CHA-49

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated April 9, 2007, entitled "Authorization to execute Modification No. G-12 to Contract No. 5121 with H.L.F. Construction Company, Inc. for Additional work Related to the

General Renovation of Washington Park Homes (IL2-034 LR) and Washington Park Scattered Sites (IL2-054);

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or her designee to execute Contract Modification No. G-12 to Contract No. 5121 with H.L.F. Construction Company, Inc. in the amount of \$113,708.20 for additional work related to the general renovation of Washington Park Homes (IL2-034 LR) and Washington Park Scattered Sites (IL2-054). The work covered by this contract modification will be performed at 3932 – 54 South Prairie Avenue. The new total contract amount of Contract No. 5121 is \$5,635,350.76.

This Contract Modification is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

(Item B2)

The resolution for Item B2 approves Contract Modification with FHP Tectonics associated with the general renovation of Wentworth Gardens. This contract modification provides for the necessary demolition and reconstruction of certain plumbing chase-walls to accommodate new chase-wall plumbing and bathtubs in the bathrooms of sixty-eight Type T2A units. The new total contract amount of Contract No. 5118 is \$35,913,635.00.

Commissioner Amey abstained from voting on Item B2 only.

RESOLUTION NO. 2007-CHA-50

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated April 9, 2007 entitled "Authorization to execute Modification No. G-02 to Contract No. 5118 with FHP Tectonics Corporation for additional work related to the General Renovation of Wentworth Gardens (IL2-008)";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or her designee to execute Contract Modification No. G-02 to Contract No. 5118 with FHP Tectonics Corporation in the amount of \$183,153.00 for additional work related to the general renovation of Wentworth Gardens (IL2-008) at 3770 South Wentworth. The new total contract amount of Contract No. 5118 is \$35,913,635.00.

This Contract Modification is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

(Item B3)

The resolution for Item B3 approves submittal of a Mixed-Finance Proposal, Evidentiaries and Disposition Application to HUD, commit CHA Funds of up to \$5,003,133 to the Cabrini Extension North Phase I Rental on-site redevelopment, execute Ground Leases to the ownership entities and execute other documents and perform such actions as may be necessary. Cabrini Extension North Phase I Rental, a mixed-finance, mixed-income redevelopment site, represents the second phase of on-site redevelopment within the larger Cabrini Extension North Revitalization Plan. The Cabrini Extension North Phase I Rental will consist of 111 new construction mixed income rental units built on CHA-owned land that formerly comprised part of the Cabrini Extension North site. The Phase I site is bounded by Division Street on the north, Larrabee Street on the east, Elm Street on the south, and Seward Park on the east. The project is expected to provide 35 rental units of replacement public housing for Cabrini Extension North residents, subsidized by the CHA under a 40-year contract to provide operating subsidy. Of the approximately 111 rental units, it is expected that 83 (including the 35 public housing units) will be subject to low-income housing tax credit restrictions and reserved for households earning up to 60% of AMI. The remaining 28 rental units will be market rate units. The CHA land for the Phase I Rental site will be ground leased by one or more ground leases to the ownership entities. The CHA will also enter into other agreements to implement the proposal, which may include

but not be limited to, loan documents, a Regulatory and Operating Agreement, one or more Mixed-Finance Amendments to the Annual Contributions Contracts, a Declaration of Restrictive Covenants, instruments necessary or appropriate to clear title, and other documents. The direct costs for the rental units in the Cabrini Extension North Phase I Rental development total \$35,169,436 and are expected to be funded by the following sources of permanent financing: (1) a first mortgage in the amount of \$2,804,000 with Alliant; (2) a loan from the City of Chicago in the amount of \$7,205,045, funded by \$6,455,045 in CDBG funds and \$750,000 from the IHDA Trust Fund; (3) a HOME loan in the amount of \$4,988,942, also from the City of Chicago; (4) a \$3,500,000 CHA loan provided by HOPE VI funds, Development and /or Capital Funds; (5) an allocation of Low Income Housing Tax Credits from the City of Chicago, expected to provide \$14,596,449 in tax credit equity from Alliant Capital, and (6) allocations of Illinois Affordable Housing Tax Credits, aka Donation Tax Credits, from the Illinois Housing Development Authority in the amount of \$1,500,000 and from the City of Chicago in the amount of \$1,000,000, which in total will provide approximately \$2,075,000 in donation tax credit equity from Alliant Capital. An equity bridge loan in the approximate amount of \$11,500,000 will be provided by JP Morgan Chase, and repaid from capital contributions provided by the tax credit syndicator/investor. \$1,503,133 in additional HOPE VI funds will be provided to cover indirect costs and fees.

ESOLUTION NO. 2007-CHA-51

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated, April 9, 2007, requesting authorization to 1) Submit a Mixed-Finance Proposal, Evidentiaries and Disposition Application to the United States Department of Housing and Urban Development (HUD), 2) Commit CHA Funds of up to \$5,003,133 to the Cabrini Extension North Phase I Rental on-site redevelopment, 3) Execute Ground Lease(s) to the ownership entity(ies) for the land at the Phase I Rental site, and 4) Execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or her designee to 1) Submit a Mixed-Finance Proposal, Evidentiaries and Disposition Application to the United States Department of Housing and Urban Development (HUD), 2) Commit CHA Funds of up to \$5,003,133 to the Cabrini Extension North Phase I Rental on-site redevelopment, 3) Execute Ground Lease(s) to the ownership entity(ies) for the land at the Phase I Rental site, and 4) Execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

(Item B4)

The resolution for Item B4 approves a contract with Parkside Old Town I, LLC, for Environmental Remediation Activities at the Cabrini Extension North Phase 1 Rental Redevelopment Site. In June 2005, the Board approved entering into a Redevelopment Agreement with Parkside Associates, LLC. Pursuant to the Redevelopment Agreement, CHA agreed to fund the cost of site remediation for pre-existing conditions. The estimated remediation cost is \$492,687. CHA's contractual responsibility for remediating foreseen and unforeseen environmental conditions is capped at 200% of this estimated total cost (\$985,374). Site preparation for the new development has begun with the City's construction of public utility infrastructure. Private utility engineering has been completed, and negotiations of required service agreement contracts are in progress. HUD has indicated that there is justification to enter into this contract.

RESOLUTION NO. 2007-CHA-52

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated, April 9, 2007, entitled "Authorization to enter 1) Into a Contract with Parkside Old Town I, LLC, for Environmental Remediation Activities at the Cabrini Extension North Phase 1 Rental Redevelopment Site and 2) Execute other documents as necessary to implement the foregoing;"

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or her designee to 1) enter into a contract for environmental remediation activities with Parkside Old Town I, LLC, an Illinois limited liability company, for a total contract amount not to exceed \$985,374 which represents 200% of the estimated remediation cost for the Cabrini Extension North Phase 1 Rental Redevelopment site and 2) execute other documents as necessary to implement the foregoing. The term of the contract shall be the earlier of (i) the receipt of a "No Further Remediation" letter from the Illinois Environmental Protection Agency with regards to the Cabrini Extension North Phase 1 Rental Redevelopment site, or (ii) two years subject to a one year extension at CHA's election and, if necessary, HUD approval.

(Item B5)

The resolution for Item B5 approves submittal of a Mixed-Finance Proposal and Disposition Application to HUD for the redevelopment of Roosevelt Square (ABLA) Phase II and to execute ground leases, loan documents and such other documents as necessary. Phase II of the ABLA/Roosevelt Square redevelopment plan will produce 432 new units of mixed-income rental and for-sale housing, neighborhood retail space and a new community park. This phase consists of five city blocks north and south of Roosevelt Road between Racine and Loomis. Phase I produced 414 mixed-income housing units which were completed in 2006. The overall ABLA/Roosevelt Square redevelopment plan includes 2,443 new units of mixed-income housing and retail space to be built over six phases. The 185 rental units in Phase II include 128 CHA units, 55 affordable units, and 2 market-rate units for management. Units will be a mix of traditional Chicago building types, including two-flats, six-flats, townhouses and 5-story apartment buildings with entrances facing the street. Most buildings are three or four stories and none exceeds five stories. The unit types are mixed throughout each block, creating a strong and varied neighborhood street-front, with changes in articulation, height, massing and building materials that are in context with the surrounding neighborhood. Each block contains a true mix of income levels without any distinction in construction quality between income levels and ownership types. The Phase II rental transaction includes the acquisition of two newly created parcels on Roosevelt Road from the City of Chicago and one newly created parcel on the former Riis School site from the Chicago Public Schools. The HOPE VI loan will fund the cost of the two parcels on Roosevelt and one new parcel at Riis at a total cost of \$1,361,884. The newly acquired land will be owned by the CHA and included in the CHA Ground Lease in order to construct 35 of the 185 rental units in this phase. The for-sale developer is financing an additional \$2,088,973 to acquire the portion of the Riis School site that will be developed as for-sale townhouse buildings and a new park. Eight of the CHA rental units will be located in two 45-unit for-sale condominium buildings to be developed in Phase II. These eight 1-BR units will be acquired by the tax credit partnership after construction by the for-sale developer. The acquisition of these units will be completed using tax credit equity only, without HOPE VI funding. These eight units will be operated under the same Regulatory and Operating Agreement and lease as the other CHA units in this phase. The rental housing will be built over an 18-month period; while for-sale housing will be constructed in a 24-month period. Phase II construction is expected to begin in the 3rd quarter of 2007. The budget for the 185-unit Phase II rental development at Roosevelt Square is approximately \$53,392,427 and will be financed through a mix of public and private sources. Due to rising construction costs as well as land acquisition costs that were not part of Phase I, the total budget for Phase II is approximately \$10 million more than Phase I, while the unit count is roughly equal. However, due to increased utilization of tax credits, the HOPE VI portion of the rental budget has only increased by approximately \$1.5 million, resulting in a greater leverage of HOPE VI funds. Upon construction completion, the CHA will initially contribute \$354 per unit each month as operating subsidy to RS II LP for maintenance and operation of the 128 public housing units in the development. This amount will increase annually at the lesser of 2% or Consumer Price Index for the term of the Regulatory and Operating Agreement. As in Phase I, the property manager for the rental units at Roosevelt Square will be Related Property Management.

RESOLUTION NO. 2007-CHA-53

WHEREAS, the Board of Commissioners has reviewed Board letter dated April 9, 2007, requesting authorization to submit a Mixed-Finance Proposal and Disposition Application to HUD for the redevelopment of Roosevelt Square (ABLA) Phase II and to execute ground leases, loan documents and such other documents as necessary to implement the foregoing.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners hereby authorizes the Chief Executive Officer, or her designee to submit a Mixed-Finance Proposal and Disposition Application to HUD, and to enter into Rental, For-Sale and Mixed-Use Ground Leases for the second phase of the mixed-finance redevelopment of ABLA to be known as Roosevelt Square Phase II.

THAT, the Board of Commissioners hereby authorizes the Chief Executive Officer or her designee, to execute HOPE VI Loan agreements with Roosevelt Square II Limited Partnership in an amount no-to-exceed \$17,100,000 subject to an independent construction cost review and underwriting.

THAT, the Board of Commissioners authorizes the Chief Executive Officer, or her designee, to enter into such further agreements, certificates or other documents as may be necessary or advisable to secure CHA's interests or effect the foregoing transaction.

THAT, the Board of Commissioners delegates to the Chief Executive Officer or her designee the power to approve any final changes to the forms of the documents authorized to be submitted herewith, the execution thereof to constitute conclusive evidence of their approval hereby.

(Item B6)

The resolution for Item B6 approves contract with LR ABLA, LLC, for Environmental Remediation Activities at the ABLA/Roosevelt Square Phase II Rental and For-Sale Development Sites. In preparation for the construction of Phase II, a number of environmental investigation studies have been completed for the CHA-owned land included in the Phase II site. These studies have identified certain environmental contaminants on the site that can be effectively remediated with an "engineered barrier" approach. This approach is the preferred method because it is the least costly and is also acceptable to the Illinois Environmental Protection Agency. The estimated remediation costs for the Roosevelt Square Phase II Rental site is \$2,072,847 while the For-Sale site is estimated at \$1,611,697, for a total Phase II estimate of \$3,684,544. CHA's responsibility for remediation of foreseen and unforeseen environmental conditions will be capped at 200% of this estimated total cost, or a total of \$7,369,088.

RESOLUTION NO. 2007-CHA-54

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated, April 9, 2007, requesting "Authorization to 1) Enter into a Contract with LR ABLA, LLC, for Environmental Remediation Activities at the ABLA/Roosevelt Square Phase II Rental and For-Sale Development Sites and 2) Execute such other documents necessary to implement the foregoing."

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or her designee to 1.) Enter into a contract for environmental remediation activities with LR ABLA, LLC, a Delaware limited liability company, for a total contract amount not-to-exceed \$7,369,088 which represents 200% of the estimated remediation cost for the Roosevelt Square Phase II Rental and For-Sale Development site, and 2.) Execute such other documents as necessary to implement the foregoing. The term of the contract with regard to the Roosevelt Square Phase II Rental and For-Sale Development site shall begin at the closing of the Phase II Rental Development and terminate at the earlier of (i) receipt of a "No Further Remediation" letter from the Illinois Environmental Protection Agency ("IEPA") for all of Phase II or (ii) two years, subject to two one-year extension at CHA's election, and if necessary, HUD approval

(Item B7)

The resolution for Item B7 approves the selection of Oakwood Boulevard Associates (OBA) as the development team for the Madden/Wells Phase II Rental and also approves entering into a pre-development loan agreement with OBA. As a result of the satisfactory completion of Phase 1, including a total of 325 units with 126 public housing replacements units, OBA is

recommended as Developer for the rental portion of Phase II. Up to \$12,000,000 in HOPE VI Grant will be allocated for Phase II Rental. Up to \$1,260,000 of these funds will be used as a loan for eligible predevelopment costs. CHA's commitment to the redevelopment with OBA will be subject to future board approvals on a phase by phase basis. The entire Madden/Wells redevelopment calls for a mixed-income, mixed-tenure community of approximately 3,000 units, of which 1,000 will be targeted to public housing residents; approximately 680 will be affordable, and approximately 1,320 will be market rate. The Madden/Wells site includes CHA property located in the area roughly bounded by East Browning Avenue on the north, South Lake Park Avenue on the east, East Pershing Road (39th Street) on the south, and South King Drive on the west, including the Madden Park Homes, the Ida B. Wells Homes, Wells Extension, and the Clarence Darrow Homes sites. The second rental phase of redevelopment will provide 378 rental units; 199 units in Phase IIA of which 81 will be public housing replacement units, 61 affordable units and 57 market rate units. Phase IIB will consist of 179 units of which 68 will be public housing replacement units, 60 affordable units and 51 market rate units. The diverse housing types for this phase include row-homes, 6 flats and a mid-rise rental building. This plan continues the Chicago street grid established in Phase I and has green spaces which help to create a high quality, pedestrian-friendly neighborhood. The proposed predevelopment loan will not exceed 75% of eligible third party predevelopment costs consistent with HUD cost control guidelines and regulations. The loan will help fund a portion of Phase II Rental pre-development costs which include survey work, architect & engineering design, TIF consulting and planned development fees and building permits.

RESOLUTION NO. 2007-CHA-55

WHEREAS, the Board of Commissioners has reviewed the Board letter dated April 9, 2007, requesting approval to 1) select Oakwood Boulevard Associates as the development team for the Madden/Wells Phase II Rental and 2) authorize the Chief Executive Officer or her designee to enter into a pre-development loan agreement for an amount not to exceed \$1,260,000 and development agreement with Oakwood Boulevard Associates for the Madden/Wells Phase II Rental redevelopment of the site 3) execute other documents and take such other actions as may be necessary to implement the foregoing.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners 1) approves the selection of Oakwood Boulevard Associates as the Madden/Wells Phase II Rental redevelopment team, 2) authorizes the Chief Executive Officer or her designee to enter into a Development Agreement and a pre-development loan agreement for an amount not to exceed \$1,260,000 with Oakwood Boulevard Associates for the redevelopment of Madden/Wells Phase II Rental site and 3) authorizes the Chief Executive Officer or her designee to execute other documents and take such other actions as may be necessary to implement the foregoing.

(Item B8)

The resolution for Item B8 approves the Amended and Restated Contract for Redevelopment for Rockwell Gardens and a predevelopment loan agreement for the West End Phase II development. The CHA Board of Commissioners approved the East Lake team as the Master Developer in February 2001 and submitted to HUD its HOPE VI application in June 2001. In October, 2002, the Board approved the Development Agreement, and committed an amount not to exceed \$31,970,644 to the contract, which provided for development of 260 public housing units. In June of 2003, the Development Agreement was executed. Generally, the Amended and Restated Development Agreement (MDA) will revise the developer milestones, adjust the schedule, and eliminate some contingencies; revise expectations on land assembly; and reduce the total number of public housing units to be delivered by East Lake from 260 to 230 units (and reduce the overall total from 780 units to 690 units). This reduction in units is not expected to affect CHA's HOPE VI Revitalization Plan commitment of 260 replacement units, which is expected to be reached through a combination of units delivered under the MDA, acquired units, and units built through the redevelopment of the former Maplewood Courts site. Commensurately with the reduction of units, the MDA is also reducing the maximum amount of funds being made available under the Agreement from \$30,100,000 to \$28,826,923, of which up to \$17,878,642 remains for completion of the Phase II Rental Development and Phase III Rental Development. Due to this reduction, and because of the fact that \$2,200,000 in Gautreaux funds were used in lieu of HOPE VI funds for the Rockwell I-B rental development, approximately \$3,500,000 in HOPE VI funds will remain available for the development of the balance of the

260 units through the redevelopment of the former Maplewood Courts site or other means. East Lake is implementing the master development through its wholly owned affiliate, East Lake/West End, LLC, and guarantees completion of each phase.

RESOLUTION NO. 2007-CHA-56

WHEREAS, the Board of Commissioners has reviewed the Board letter dated April 9, 2007, requesting authorization to enter into an Amended and Restated Contract for Redevelopment for Rockwell Gardens and a predevelopment loan agreement for the West End (Rockwell Gardens) Phase II development and to execute other documents and take other actions as necessary or appropriate to implement the foregoing and concurs with the recommendation contained therein;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorize the Chief Executive Officer or her designee to enter into an Amended and Restated Contract for Redevelopment with East Lake/West End, LLC, East Lake Management & Development Corp., and Daniel E. Levin and The Habitat Company, LLC, as Gautreaux receiver (“Receiver”) for the mixed-finance development of Rockwell Gardens in an amount not to exceed \$28,826,923 (of which up to \$17,878,642 remains available for future phases), subject to any necessary approval by the U.S. Department of Housing and Urban Development (“HUD”). The not-to-exceed contract amount is exclusive of any environmental remediation costs that may be required for the redevelopment of site.

THAT, the Board of Commissioners authorize the Chief Executive Officer or her designee to enter into a predevelopment loan agreement with East Lake/West End, LLC, as borrower, East Lake Management & Development Corp. as sponsor, and Receiver to provide predevelopment loan funds pursuant to the Amended and Restated Contract for Redevelopment approved hereby, in an amount not to exceed \$724,500, for up to 75% of eligible third party predevelopment costs consistent with HUD cost control guidelines and regulations for the West End (Rockwell Gardens) Phase II development.

THAT, The Chief Executive Officer, or her designee, is hereby authorized execute such other documents and take such other actions as are necessary or appropriate to implement the foregoing, and to approve final changes to the agreements approved hereby, including, but not limited to, changes requested by HUD, her execution thereof to constitute conclusive evidence of approval thereof.

(Item B9)

The resolution for Item B9 approves a predevelopment loan agreement with Stateway Associates, LLC for the Stateway Gardens/Park Boulevard Phase II on-site development. In July 2002 the Board authorized CHA to enter into the Master Development Agreement (MDA) and commit funding in an amount not to exceed \$57,000,000 for activities under the Development Agreement. The Development Agreement provides that predevelopment loans will be offered to Stateway Associates, LLC in amounts not to exceed 75% of eligible third party predevelopment costs. The HUD eligible Phase II on-site predevelopment costs include survey work, architect & engineering design, TIF and Planned Development fees, building permits and the cost to prepare a HOPE VI Grant application. This predevelopment loan will be repaid in full to CHA at the real estate closing for this on-site Phase II development. Based on the estimated Predevelopment Budget of \$6,778,264 and pursuant to terms of the MDA, CHA’s loan will not exceed \$1,038,289 and these terms are consistent with HUD’s cost control guidelines and regulations.

RESOLUTION NO. 2007-CHA-57

WHEREAS, the Board of Commissioners has reviewed Board letter dated April 9, 2007, requesting authorization to enter into a predevelopment loan agreement with Stateway Associates, LLC for the Stateway Gardens/Park Boulevard Phase II on-site development and to execute other documents and take such other actions as may be necessary to implement the foregoing and concurs with the recommendation contained therein;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby authorizes the Chief Executive Officer or her designee to enter into a predevelopment loan agreement for a not to exceed amount of \$1,038,289 with Stateway Associates, LLC to provide loan funds for up to 75% of eligible third party predevelopment costs pursuant to the terms of the Master Development Agreement and consistent with U.S. Department of Housing and Urban Development cost control guidelines and regulations for the Stateway Gardens/Park Boulevard Phase II on-site development and to execute other documents and take such other actions as may be necessary to implement the foregoing.

The Omnibus Motion to adopt resolutions for Items B1 thru B9 was seconded by Commissioner Ponce and the voting was as follows:

Ayes: Martin Nesbitt
 Dr. Mildred Harris
 Michael Ivers
 Carlos Ponce

Abstention: Hallie Amey (*Abstained from voting on Item B2 only*)
 Mary Wiggins (*Abstained from voting on Item B1 only*)

Nays: None

At the request of Commissioners Amey and Wiggins, their Recusals on Item B2 and B1 respectively should be changed to Abstentions.

There being no questions or discussion, the Chairperson thereupon declared said Motion carried and said resolutions adopted. The Operations and Facilities Committee report was also accepted in total.

In the absence of Committee Chair O'Keefe, Commissioner Ponce presented the Finance & Audit Committee monthly report. Per Commissioner Ponce, the Finance Committee Meetings was held on Wednesday, April 11, 2007 at 2:00 p.m. at the 60 East Van Buren Corporate offices. The Committees was presented with the Treasury and Cash Flow Report for March 2007 and an update on the contract with Windows of Opportunity.

Commissioner Ponce then introduced an Omnibus Motion for the adoption of the Resolutions for Items C1 and C2 discussed, voted and recommended for Board approval by the Finance and Audit Committees

(Item C1)

The resolution for Item C1 approves the Revised 2007 Comprehensive Budget. The FY2007 budgeted expenditures have been revised from \$933,951,548 to \$939,565,797, resulting in a \$5,614,249 increase. The major changes by funding source are as follows: General Fund: total revenues and associated expenditures increased by \$13,560,549 for a fund total of \$854,485,867. The increase reflects the HUD approved funding provided for Housing Assistance Payments under the Housing Choice Voucher Program; Section 8 Non-MTW Fund: total revenues and associated expenditures decreased by \$8,631,765 for a fund total of \$15,435,815. The decrease is due to the transfer of the 11B program on July 1 to a private outside firm that will administer the program and Other Funding: the total revenues and associated expenditures increased by \$685,465 for a fund total of \$16,867,209. The increase is primarily due to prior year carry-overs of MacArthur and ROSS grants.

RESOLUTION NO. 2007-CHA-58

WHEREAS, the Board of Commissioners has reviewed the Board letter dated April 9, 2007, entitled "Approval of the Revised 2007 Comprehensive Budget";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners, hereby approves the attached budget amendments, "The FY2007 Comprehensive Budget Amendment #1", and finds with respect to said Budget:

1. that the proposed expenditures are necessary for the efficient and economical operation of the Chicago Housing Authority for the purpose of serving low-income families;
2. that the financial plan is reasonable in that it indicates funding sources adequate to cover all proposed expenditures, and does not provide for use of Federal funding in excess of that payable under the provisions of the applicable Federal regulations; and
3. that all proposed rental charges and expenditures will be consistent with provisions of law and the Annual Contributions Contract in accordance with the Moving To Work Demonstration Agreement of the Chicago Housing Authority with the U.S. Department of Housing and Urban Development.

THAT, the Chief Executive Officer and Chief Financial Officer are authorized to execute and forward to the U.S. Department of Housing and Urban Development all necessary budget documents and supporting information when applicable.

(Item C2)

The resolution for Item C2 approves the Restructuring of Equity Financing for C/S Harrison Courts Limited Partnership and amends the Partnership Agreement and Development Agreement for Harrison Courts LLC. The Partnership expects to incur construction cost overruns of approximately \$1 million due to a variety of additional construction needs and time extensions that were not included in the base construction contract. The Partnership Agreement currently provides for the payment of three equity installments. Two of the installments were previously paid; the third installment is payable on July 15, 2007. Under the proposed amendment, the total equity contribution will be increased by \$290,053, based on an increase in the Partnership's tax credit basis. In addition, the Partners have agreed to advance \$266,947 of the developer fee to the General Partner to loan back to the project for construction costs. These additional funds totaling \$577,000 will be payable upon execution and delivery of the amended Partnership Agreement. To reduce the construction shortfall, the proceeds of the developer fee will be reapplied to the Partnership as a loan from the General Partner. The loan will be evidenced by a non-interest bearing promissory note payable from available cash flow. In addition, the CHA will be receiving repayment of a construction loan from CHA to the Lathrop Elderly project from proceeds of a \$2 million grant from the Illinois Department of Commerce & Economic Opportunity (DCEO). Upon receipt of these funds from DCEO, the CHA will loan up to an additional \$500,000 to C/S Harrison Courts Limited Partnership to cover the remaining construction cost overruns at Harrison.

RESOLUTION NO. 2007-CHA-59

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated April 9, 2007, entitled "Recommendation for approval of the Restructuring of Equity Financing for C/S Harrison Courts Limited Partnership and Authorization for Harrison Courts LLC to Amend The Partnership Agreement and Development Agreement and execute related documents required to consummate the transactions"

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners hereby approves the equity financing restructuring for C/S Harrison Courts Limited Partnership; and

THAT the Board of Commissioners hereby approves an increase of the loan to Harrison Courts LP in the amount not to exceed \$500,000; and.

THAT the Board of Commissioners hereby authorizes Harrison Courts LLC to amend the Partnership Agreement and Development Agreement and execute related documents required to consummate the transactions.

The Omnibus Motion to adopt resolutions for Items C1 and C2 was seconded by Commissioner Harris and the voting was as follows:

Ayes: Martin Nesbitt
 Hallie Amey
 Dr. Mildred Harris
 Michael Ivers
 Carlos Ponce
 Mary Wiggins

Nays: None

There being no questions or discussion, the Chairperson thereupon declared said Motion carried and said resolutions adopted. The Finance Committee report was also accepted in total.

There being no further business to come before the Commissioners, upon Motion made, seconded and carried, the meeting of the Board of Commissioners was adjourned.

s/b: Martin Nesbitt
 Chairperson

s/b: Lee Chuc-Gill
 Custodian and Keeper of Records